

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI**

**FEDERAL TRADE COMMISSION,
et al.,**

Plaintiffs,

v.

NEXT-GEN, INC., et al.,

Defendants.

Case No. 4:18-CV-00128-DGK

RECEIVER'S STATUS REPORT

Eric Johnson, the duly-appointed Receiver in the captioned action and Trustee for the Next-Gen Receivership Trust ("Receiver") submits this status report as to the wind-down of the Receivership and Trust Estates:

1. The Receiver appreciates the Court's continue patience in wrapping up the final tasks of the receivership. The Receiver continues to be extremely apologetic for the delay in wrapping up the receivership and once again offers his sincerest apologies to the Court. As previously referenced in the past report, the Receiver is involved in a complex Chapter 11. The case has continued to maintain a robust briefing and hearing schedule into January and February. The Receiver is optimistic that with certain key hearings set to be concluded by March 8, however, that the amount of time the case requires will be substantially reduced. Notwithstanding the scheduling demands, the Receiver has made progress on various items referred to in his last report.

2. With respect to the consumer notices, as stated in his last report, the Receiver received several returned notices. In that respect, the Receiver and his professionals were able to make substantial progress in identifying and re-sending out several of the return notices. The Receiver anticipates sending any remaining notices by February 16, 2022. Subject to consultation

with the Plaintiffs, the Receiver anticipates turning over any returned or unidentified funds to the Missouri Treasurer pursuant to the unclaimed property statute.

3. The Receiver has worked with RubinBrown to prepare and send the 2021 1099s. Additionally, the Receiver received additional information from RubinBrown and anticipates filing its fee application on or before February 8, 2022.¹

4. The Receiver is coordinating with Wells Fargo to close the remaining non-UMB receivership account. The Receiver believes he has sent the necessary documents to allow Wells Fargo to close the account and tender remaining funds. Additionally, the Receiver is in the process of disposing of remaining non-monetary personal property of the Debtor, which largely consists of computer hardware leftover after the auction. Finally, the Receiver is coordinating with UnitedLex related to the final storage and destruction of the electronic data.

5. The Receiver is analyzing various non-income tax related matters, which primarily relate to sales and use tax. Once resolved, the Receiver believes he will be able to proceed forward to get the necessary tax clearance letters and complete the corporate dissolutions and dismissing any related ancillary proceedings necessary for jurisdictional reasons.

6. By **March 21, 2022**,² the Trustee anticipates filing his Notice of Final Disbursement and Accounting (the “Final Notice”). The Receiver currently has approximately \$88,906.11 remaining on hand, which the Trustee anticipates being sufficient with respect to paying the outstanding receiver and professional fees.

7. After all funds have been distributed and pursuant to the various procedures, the Receiver will file a notice with the Court related to closure of the Trust along with required Form

¹ The Receiver does not intend to seek compensation for himself or his law firm until the Final Notice (as defined herein) is issued.

² As stated above, the Receiver anticipates being in trial on March 4, 2022. It is unknown how many days, but the Bankruptcy Court is currently required to issue its ruling by March 8, 2002.

56 tax filings with the IRS. Once again, the Receiver appreciates the Court's patience and is sincerely sorry for any delay in completing the receivership estate.

Dated: February 4, 2022.

Respectfully submitted,

/s/ Eric L. Johnson, Receiver

Eric L. Johnson, Receiver/Trustee

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on February 4, 2022, a true and correct copy of the foregoing was filed electronically with the United States District Court for the Western District of Missouri using the CM/ECF system, which sent notification to all parties of interest participating in the CM/ECF system.

/s/ Eric L. Johnson

Receiver